Congress of the United States

Washington, DC 20515

April 23, 2002

Chairman Pat Wood, III Commissioner Nora Mead Brownell Federal Energy Regulatory Commission 888 First Street, N.E., Room 11H Washington, DC 20426

Dear Chairman Wood and Commissioner Brownell:

According to an Order dated February 13, 2002, the Federal Energy Regulatory Commission (FERC) is conducting a fact-finding investigation into whether Enron and others manipulated power markets in Western states during last year's California energy crisis. The FERC Order states that "among other things, the Commission may use the information developed by this fact-finding investigation to determine how to proceed on any existing or future Federal Power Act (FPA) section 206 complaints or any formal 206 or Natural Gas Act (NGA) section 5 proceedings initiated on our own motion."

It is our belief that the undue influence exerted by former Enron Corporation Chairman Kenneth Lay in the process that resulted in your nominations raises grave concerns regarding your ability to be impartial in any pending or future investigations of Enron. At a minimum, the circumstances surrounding your appointment to FERC call into question your ability to conduct an unbiased review of Enron's activities. We are, therefore, urging that you recuse yourselves from the investigation.

Mr. Lay has been a champion for each of you in your appointments to FERC, and in the case of Mr. Wood as far back as 1994, in his appointment to the Texas Public Utility Commission. Mr. Lay went so far as to provide each of your names to President Bush as acceptable FERC nominees from Enron's perspective. While serving as a Bush appointee in Texas and at FERC, Mr. Wood has personally acknowledged that he either met or spoke with Enron executives at least nine times over the past six years. In fact, Mr. Wood indicated that Mr. Lay called him on November 8th, presumably for assistance as he had others, as the company's collapse was literally costing thousands of employees their retirement savings. In disclosing such contacts with Enron, Mr. Wood has chosen to omit several additional meetings with non-executive Enron staff and outside attorneys, as well as the former head of Enron de Mexico.

We urge you to follow the lead of Attorney General John Ashcroft. When it became clear that contributions made by Enron to Mr. Ashcroft's campaign efforts could undermine public confidence in the Justice Department's Enron investigation, Mr. Ashcroft recused himself. When such an appearance of a conflict of interest exists, recusal is the appropriate, and necessary, action to protect the public interest.

FERC's Ethics Mandate prominently asserts, "Every citizen must have complete confidence in the integrity of the Federal Energy Regulatory Commission; otherwise, our ability to act in the public interest will be compromised." It is simply not possible for the American people to have complete confidence in this investigation if those who benefited from Enron's support and advocacy are the same individuals examining their questionable practices as a corporation.

For the foregoing reasons, we respectfully urge that you each recuse yourselves from the current, and any future, investigation into the activities of Enron Corporation.

Sincerely, Edolphus Towns (NY) Thomas H. Allen (ME)

Fortney Pete Stark (CA)	George Miller (CA)
Bob Filner (CA)	Jin McDermott (WA)
Brian Baird (WA)	Steny H. Hoyer (MD)
Robert Brady (PA)	Corrine Brown (FL)
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